

### Remarks

This application has been carefully reviewed in light of the Office Action mailed July 31, 2008 ("Office Action"). At the time of the Office Action, claims 1-9, 11-13, 35-39 and 41 were pending in this application, all of which were rejected. Reconsideration of the above-identified application in view of the following remarks is respectfully requested.

#### Interviews with Examiners See and Colbert

Applicants were granted interviews with Examiners See and Colbert on October 14 and November 4. Applicants thank the Examiners for their time and consideration in discussing the pending application and providing the Applicants opportunities to further clarify the pending claims. As discussed during the interviews, Applicants believe that the pending claims are distinguishable from the proposed combination of *Gill*, *LaCombe*, and *Eckhouse* and proposed an amendment so that the claims recite a future interest price "paid by the vehicle financing company" to further clarify the claimed invention over the proposed combination. During the interview, the Examiners indicated that the proposed amendment may overcome the current rejections, but an updated search may be conducted.

#### Claim Rejections – 35 U.S.C. §103

Claims 1, 2, 4, 5, 11-13 and 35-38 stand rejected as being unpatentable over *Gill* et al., US Patent No. 4,736,294 (*Gill*) in view of *LaCombe*, Jr. et al., US Publication No. 2005/0289036 (*LaCombe*) and in further view of *Eckhouse*, *Lease is More*, VARbusiness, 1991 (*Eckhouse*). Applicants traverse this rejection because the proposed combination of *Gill*, *LaCombe* and *Eckhouse*, does not teach or suggest the pending claims as amended. Reconsideration of the claims is respectfully requested for the following reasons.

As to claim 1, the Examiner admits that *Gill* fails to teach every limitation except "the vehicle financing company providing financing to the vehicle consumer for the legal title price of the vehicle." (see Office Action, p. 3). The Examiner posits that the deficiencies are addressed by the combination of *LaCombe* and *Eckhouse* (see Office Action, pp. 3-4). Pending claim 1 recites, in relevant part, "receiving a future interest in a vehicle by a vehicle financing

company in consideration for a future interest price paid by the vehicle financing company ***upon transfer of a legal title in the vehicle to a vehicle consumer*** in consideration for a legal title price for a legal title term, the legal title price being an amount of money paid for a ***present possessory interest*** in the vehicle" (emphasis added). The Examiner asserts this limitation is disclosed in paragraph 0007 of *LaCombe*. (see Office Action, p. 4). The cited paragraph, as reproduced below in its entirety, in fact does not teach or suggest this limitation of claim 1:

In a typical consumer lease transaction, the Vehicle is owned originally by the Vehicle Dealer and leased to the consumer. The Vehicle is then sold by the Vehicle Dealer to the Dealer Financier, subject to the consumer lease. This allows the consumer ***to use the Vehicle*** in exchange for paying monthly lease payments, while retaining for the Vehicle Financier the right to the Vehicle at lease termination (Emphasis added.)

Paragraph 0011 further illustrates this relationship: "the Vehicle Financier ***owns the Vehicle*** and a contract to ***receive rent*** as the Vehicle ***is used***" (emphasis added). Accordingly, the vehicle financing company does not have a "future interest in a vehicle" nor does the vehicle consumer have "legal title in the vehicle," as recited in claim 1.

Furthermore, *LaCombe* fails to teach "a future interest price ***paid by the vehicle financing company***." (emphasis added). At best, the Vehicle Financier merely retains a right to the vehicle at a lease's termination. No where is there a teaching or suggestion of the Vehicle Financier paying a future interest price for a future interest in the vehicle.

The Examiner admits that "Gill in view of *LaCombe* does not specifically show title passing with the initial transaction." (Office Action, p. 4). The Examiner alleges, however, that "Eckhouse teaches transfer of title upon ***lease inception***" (*Id.*, emphasis added). The Examiner's argument, however, fails to make up for the deficiency in *Gill* and *LaCombe*. At best, *Eckhouse* teaches a standard retail installment contract in which a customer agrees to pay for the purchased property in installments in exchange for full ownership of the purchased property at inception. A lease, on the other hand, generally gives a lessor (e.g., a retailer) a present interest in the property while the lessee (e.g., a customer) has a ***right to use*** the property

in exchange for a price. At the termination of the lease term, the leased property is returned to the lessor. Therefore, *Eckhouse* does not teach a "transfer of title upon *lease* inception" (emphasis added), (Office Action, p. 4), because the customer in *Eckhouse* is not receiving a lease but rather full ownership of the purchased property. Therefore, for at least these reasons, the combination of *Gill* in view of *LaCombe* and in further view of *Eckhouse* fail to teach or suggest the limitations of pending claim 1. Favorable reconsideration and withdrawal of the rejection of pending claim 1 (and dependent claims 2-9 and 11-13) is respectfully requested.

Claims 2, 4, 5, and 11-13 are allowable based on their dependency from claim 1. Furthermore, the pending claims are distinct and patentable over the proposed combination of *Gill*, *LaCombe*, and *Eckhouse* for additional reasons. As to claim 4, the Examiner cites to *Gill* as teaching this limitation. Specifically, the Examiner opines that the customer's option in *Gill* to "return of vehicle to financing entity" is a reversionary interest. (see Office Action, p. 5). Applicant traverse this rejection. Pending claim 4 recites, "the future interest is a reversionary interest or a remainder." At best, the lender in *Gill* "guarantees the purchaser that at the end of the loan term the vehicle can be sold for a predetermined amount." (see col. 1, ll. 58-59.) This arrangement provides a purchaser an option that may be exercised at the end of the loan by the purchaser for selling the vehicle back to the lender. The purchaser may put the vehicle on the lender for the predetermined amount at loan end. Alternatively, the purchaser may decide to keep the vehicle or sell it to a third party. Since the purchaser has these options, the lender in *Gill* does not have a future interest, which vests a *privilege* of possession or of enjoyment of a vehicle in the future. Rather, the lender is at the mercy of the purchaser to *exercise the option*. Therefore, since *Gill* does not teach or suggest the recited limitation "future interest," *Gill* cannot, therefore, teach or suggest "a reversionary interest or a remainder." Furthermore, because the customer in *Gill* "may choose to give up the car to the bank," there is no reversionary interest since the termination is by the customer's will and not due to the natural termination of his or her interest. Therefore, the combination of *Gill*, *LaCombe*, and *Eckhouse* fail to teach or suggest pending claim 4.

Pending claim 12 recites "the future interest vests upon expiration of a vesting period." The Examiner cites to *Gill* as showing this limitation. Specifically, the Examiner asserts that *Gill* shows "arrival of date [sic] where vehicle may be returned to financing entity" and, therefore, addresses this limitation. (see Office Action, p. 6). Applicants disagree because *Gill* fails to teach a "future interest" for at least the reasons set forth above with respect to claim 4. As there is no "future interest" taught in *Gill*, accordingly, there is no interest to be "vested." Furthermore, in *Gill*, the financing entity receives possession because of a *choice* made by the customer, not because of the "expiration of a vesting period." Therefore, the combination of *Gill*, *LaCombe*, and *Eckhouse* fail to teach or suggest pending claim 12.

Therefore, for at least these reasons, the combination of *Gill*, *LaCombe*, and *Eckhouse* fail to teach or suggest pending claim 1 (and dependent claims 2-9 and 11-13). Favorable reconsideration of at least these claims is respectfully requested.

Pending claim 35 recites, in relevant part, "receiving a future interest in a personal property by a financing company in consideration for a future interest price paid by the financing company upon transfer of a legal title in the personal property to the consumer in consideration for a legal title price for a legal title term, the legal title price being an amount of money paid for a present possessory interest in the personal property." The Examiner has rejected the pending claim as obvious over *Gill* in view of *LaCombe* and in further view of *Eckhouse*. Applicants traverse this rejection because the pending claim is patentable over the cited references for at least the reasons set forth above with respect to claim 1. Favorable reconsideration and the withdrawal of the rejection of pending claim 35 (and dependent claims 36-39) is respectfully requested.

Claims 3, 6, 7 and 39 stand rejected under 35 U.S.C. §103(a) as being unpatentable over *Gill*, *LaCombe*, *Eckhouse* in view of *Reynolds* et al., U.S. Patent No. 7,024,373 (*Reynolds*). *Reynolds*, however, does not cure the noted deficiencies of *Gill*, *LaCombe*, and *Eckhouse*. Thus, claims 3, 6, 7 and 39 should be allowable based at least on their dependency from allowable independent claims.

The Examiner rejected claim 41 as being unpatentable over *Gill* in view of *LaCombe*. Claim 41, however, contains recitations similar to those presented in these remarks with respect to claim 1 and should be allowable for at least this reason. Reconsideration of the pending claim is respectfully requested.

Applicants do not acquiesce in the Examiner's characterizations of the art. For brevity and to advance prosecution, Applicants may not have addressed all characterizations of the art and reserve the right to do so in further prosecution of this or a subsequent application. The absence of an explicit response by Applicants to any of the Examiner's positions does not constitute a concession to the Examiner's positions. The fact that Applicants' comments have focused on particular arguments does not constitute a concession that there are not other arguments for patentability of the claims. Applicants submit that all of the dependent claims are patentable for at least the reasons given with respect to the claims on which they depend.

The Commissioner is authorized to charge the extension of time fee of \$130.00 to Ford Global Technologies LLC, Deposit Account No. 06-1510. Please charge any additional fees or credit any overpayments as a result of the filing of this paper to Deposit Account No. 06-1510.

Respectfully submitted,

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